

PERSONAL PROPERTY
MANAGEMENT PROCEDURES MANUAL

THOMAS JEFFERSON
NATIONAL ACCELERATOR FACILITY

MANAGED BY

SOUTHEASTERN UNIVERSITIES RESEARCH ASSOCIATION

FOR

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JEFFERSON LAB PERSONAL PROPERTY MANAGEMENT PROCEDURES MANUAL

Submitted By:

Kris A. Burrows
Kris Burrows
Jefferson Lab Property Officer

July 3, 2001
Date

Approved By:

John R. Sprouse
John R. Sprouse
Plant Engineering Director

3 July 01
Date

Approved By:

Roy Whitney
Roy Whitney
Associate Director for Administration

7.3.01
Date

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PART 1: PERSONAL PROPERTY SYSTEM

1.1 General The Southeastern Universities Research Association (SURA) is contractually responsible for establishing and maintaining an effective and efficient personal property management system for the Thomas Jefferson National Accelerator Facility (Jefferson Lab). Accordingly, SURA has developed and implemented procedures to ensure compliance with the Department of Energy (DOE)/SURA operating contract and Commonwealth of Virginia requirements. Deviations from the procedures stated in this manual are reviewed by the Jefferson Lab Property Officer and approved by the Plant Engineering Director. Deviations that describe actions inconsistent with the DOE/SURA operating contract will be referred to the DOE Site Office for approval.

1.2 Objectives The objectives of the property management program include:

- a. Ensuring that all Jefferson Lab property is properly acquired, inventoried, utilized and disposed.
- b. Protecting personal property from loss, damage, unauthorized use or theft.

1.3 Responsibilities All Jefferson Lab personnel are responsible for the proper use, care and maintenance of Jefferson Lab property used in the performance of their duties.

1.3.1 Jefferson Lab Property Officer (JLPO). The JLPO is responsible for controlling and accounting for the Federal and Commonwealth personal property assigned to Jefferson Lab. While the JLPO maintains primary responsibility for the property management system, support responsibilities are properly delegated by this manual to all Jefferson Lab staff that utilizes personal property.

1.3.2 Jefferson Lab Property Custodians. Jefferson Lab custodians are responsible for the property assigned them, including all activities affecting the property (transfers, loss, loan, damage, etc). When the property or the custodian's status changes (terminates employment, re-locates property for longer than 5 working days (See Section 2.5.2), loses property, etc.) the custodian must follow the procedures outlined in this manual. Property custodians are responsible for alerting the JLPO of the in-house development, acquisition or shipment of High Risk property (See definitions, Section 1.6).

1.3.3 Jefferson Lab Supervisors. Jefferson Lab supervisors are responsible for taking the necessary action to deal with any theft, misuse, damage or improper activity involving Jefferson Lab property.

1.3.4 Jefferson Lab Credit Card Holders. Employees that buy and "pick-up" accountable property directly from local vendors must clear receipt of the property through the Jefferson Lab Shipping and Receiving station. The Shipping and Receiving staff will classify, tag, and document the property. Definitions and examples of accountable property are provided in Section 1.6.

1.3.5 Subcontracting Material Services. Functions associated with the property management system are subcontracted to a commercial firm. This manual is part of the subcontract specification. Primary responsibility for the property management system is retained by the JLPO, who is responsible for surveillance of the subcontracted functions. The JLPO utilizes a Quality Assurance Evaluation Plan to assure subcontracted functions are performed in accordance with the personal property management system established by this manual.

1.3.6 Official Use of Personal Property. Federal and State personal property assigned to Jefferson Lab can only be used in the performance of official Jefferson Lab business. Use of such property on or off the Jefferson Lab site for any purpose other than official business is

prohibited. Individuals guilty of such improper activity are subject to corrective action by Jefferson Lab or prosecution under applicable laws.

1.3.7 Misuse and Damage. Any possible theft, misuse or damage to personal property must be reported immediately to the JLPO (See Section 2.7).

1.4 Training The JLPO in concert with the Jefferson Lab Human Resources & Services Department is responsible for property management training for Jefferson Lab employees. The following elements are included in this training:

- a. Informing new employees of personal property policies during initial orientation training.
- b. Keeping Jefferson Lab staff advised of property issues (by memo, e-mail, newsletters etc.)
- c. Providing periodic training to Jefferson Lab property custodians.

1.5 Internal Assessment The Structural Maintenance and Services Section of the Plant Engineering Department assesses, on an annual basis, all functions related to Property Management.

1.6 Definitions Common terms and definitions as used in this manual, the Material Services Subcontract and associated publications:

Accountable Property - All property that is subject to inventory by appropriate authority. This property normally will not lose its identity when utilized. Such property includes: real, high risk, sensitive and equipment.

Administrative Property - Non-sensitive personal property with an acquisition cost below \$5,000.

Blanket Purchase Agreement (BPA) - Simplified method of filling repetitive needs for supplies or services by establishing charge accounts with qualified sources of supply.

Counterfeit and Suspect Parts - Any low-grade part or material that is manufactured to resemble or is marked to indicate a much higher-grade product. At Jefferson Lab the items historically most often encountered are low-grade metal fasteners (bolts, nuts etc.) of foreign origin and refurbished electrical equipment (circuit breakers, large switches) that are illegally sold as new equipment.

Equipment - Personal property items having a unit acquisition cost of \$5,000 or more.

Export Control Review – Refers to inventorying the planned shipment, preparing end-user or end-use certification documents, classifying the commodities, software, or technology and researching the Export Administration Regulations to determine if a license is required for export. The Department of Commerce, Department of State, and/or Department of Energy provides assistance with classification requests, advisory opinions, licensing, etc. if assistance is needed for a correct classification. Once the export control review process is completed, the necessary shipping documents for export are generated.

Hazardous Materials - Corrosive, radioactive, flammable, explosive or poisonous material, the shipping of which is regulated by the Department of Transportation, 49 Code of Federal Regulations.

High Risk Property – Property that, because of its potential impact on public health and safety, the environment, national security interest, or proliferation concerns must be controlled and disposed of in other than the routine manner. Categories of high risk property are automatic data

processing equipment, especially designed or prepared property, export controlled information, export controlled property, hazardous property, nuclear weapon components or weapon-like components, proliferation sensitive property, radioactive property, special nuclear material, and unclassified controlled nuclear information. DOE Oak Ridge Web Site, www.ornl.gov/risk/risk.html, provides more information on high risk property. **NOTE:** For automatic data processing equipment (ADPE), see Section 3.2.1 for sanitizing/certification procedures that DOE requires for transferring excess personal property.

Personal Property - All property other than real property.

Priority Packages - Those packages being shipped by express carrier (i.e., Federal Express, Airborne Express, DHL, UPS Red or Blue Label, or other express carriers), and packages clearly marked as priority by local vendors delivering directly.

Property Custodian – An Individual having custodianship of Jefferson Lab personal property and who is responsible for the proper utilization and control of the property.

Purchase Order (PO)/Subcontract - Contract documents used to buy supplies, equipment or services from commercial sources.

Quality Assurance (QA) - A method used by Jefferson Lab to provide the desired measure of control over the quality of purchased goods and services.

Quality Control (QC) - A method used by a subcontractor to control quality of goods and services provided to Jefferson Lab.

Real Property - Land and permanent improvements to land such as buildings, roads and utilities. Real property improvements are upgrades and/or enhancements to existing facility characteristics.

Sensitive Item - Accountable property, which has high appeal, can be easily appropriated for personal use (susceptible to theft), and can be easily converted to cash. Some examples are video cameras, lap or palm top computers, bicycles, some 35mm cameras, and VCRs.

Subcontracting Officer - A person executing a subcontract on behalf of Jefferson Lab.

Subcontracting Officer's Technical Representative (SOTR) - A Jefferson Lab representative who is authorized by the Subcontracting Officer to monitor, inspect, accept, or reject materials or services furnished under a subcontract. The SOTR does not have the authority to modify, change, or deviate from the terms of the subcontract.

PART 2: CONTROL OF PROPERTY

2.1 General The goal of the property program is to assure proper control and utilization of personal property with minimal economic and administrative burden. The following established procedures for receipt and inspection, identification marking, segregation, physical protection, and physical inventory of property accomplish this function at Jefferson Lab.

2.2 Receipt and Inspection Property delivered to Jefferson Lab is cleared through Plant Engineering's Shipping and Receiving where it is classified (equipment, sensitive, administrative etc.), tagged and entered in the Jefferson Lab property tracking system. This includes property on loan from other research facilities, new purchases, property acquired via transfer from other agencies, and property returned for repair. For credit card purchases it is the responsibility of the Jefferson Lab credit card holders to ensure all property "picked-up" directly from local vendors is properly identified by Shipping and Receiving. As a check on this function all credit card purchases are reviewed by Material Services subcontractor to identify accountable items. Items not already properly identified are researched and identified appropriately.

Shipping and Receiving documents and processes shipments to assure prompt delivery to the end user. Final inspection and acceptance is accomplished by the end user. Functions of Shipping and Receiving include:

- a. **Inspection of Shipment Container** - Determining if there is obvious damage.
- b. **Verification of Quantity and Description** - Verifying quantity and description of the items received with the shipping/packing slip and the applicable Jefferson Lab procurement document.
- c. **Inspection of Items** - Checking for obvious irregularities, such as visible damage, lack of uniformity and suspect parts.
- d. **Addressing Problems** - Resolving problems, such as damage or apparent errors in the shipment, with the responsible Jefferson Lab Procurement representative, end user, vendor and/or carrier as appropriate.
- e. **Receiving Reports** - Promptly reporting receipt of item to the Jefferson Lab Finance Department and the end user.
- f. **Property Records** - Assigning property tag numbers, attaching tags on property which require tracking and entering required information in the current Jefferson Lab Database in Central Information System (CIS).
- g. **Sensitive Item Receipts** - Obtaining signed receipt for all sensitive items from the property custodian.

2.3 Identification Marking of Property All personal property acquired by Jefferson Lab is identified, properly marked if appropriate, and documented in the property records. Assigned property identification numbers are recorded on all applicable receiving, shipping, and disposal documents, and other pertinent documents in the property control system. The identification system assures that Commonwealth of Virginia property, Federal property and property owned by other research facilities is distinctively marked to indicate correct ownership.

2.3.1 Property Tags Adhesive backed bar coded property tags are placed on all accountable personal property. The tags indicate ownership (Federal or Commonwealth of Virginia) and provide the serialized tracking number described below. For any property permanently transferred from another agency that has a property tag, the old tag is removed and replaced with a new Jefferson Lab property tag.

2.3.2 Serialized Numbers Each item of property that is given an alphanumeric number (i.e. **F4-50326**).

The letter designates whether the property was acquired with Federal funds (F) or Commonwealth funds (S).

The first digit designates the type of property as follows:

- 1 - Furniture and Office Machines
- 2 - Shop or Laboratory Testing Equipment
- 3 - Software (greater than \$25,000)
- 4 - Computers and Related Hardware

The remaining digits comprise the property tracking number. This number is unique to each individual item.

2.4 Records and Physical Inventories

2.4.1 Records Individual property records are prepared and maintained for all property requiring a serially numbered, bar coded property tag. The property record contains the following information:

- a. Purchase Order Number
- b. Asset Classification (A number assigned to each type of property, see Section 2.3.2)
- c. Name of Item
- d. Property Tag Number
- e. Manufacture's Name, Model and Serial Number
- f. Acquisition Document Reference and Date - if other than a purchase order
- g. Property ownership (Federal or State)
- h. Unit Cost - Includes transportation and installation cost. For equipment with a value over \$25,000 the unit cost must be in agreement with the unit cost recorded in the Jefferson Lab Finance cost report.
- i. Jefferson Lab Custodian and property location.
- j. Cost Account

2.4.2 Receipt Verification Within 7 working days after receipt of property, that is assigned a serialized numbered property tag, a physical inventory is conducted to verify the following:

- a. Property is properly identified in the property database.
- b. Physical location of the property is correctly identified.
- c. Custodian of the property is correctly identified.
- d. Property is properly tagged.

2.4.3 Scheduled Inventories In addition to the receipt verifications, periodic physical inventories are conducted as follows:

- a. Sensitive Property- inventory a randomly selected (10%) sample each year.
- b. Equipment- inventory a randomly selected (10%) sample every two years.

2.4.4 Inventory Procedures The inventory function is subcontracted; the independent observation is conducted by the SOTR as part of the quality assurance procedure. Additionally, as needed the JLPO or representative may provide assistance in resolving end of inventory cycle and reconcile differences. This inventory is documented and retained in the inventory record file.

Prior to submitting the inventory report, all necessary reconciliations and adjustments are made. Items listed as missing and not found are “retired” from the property records after one year. All retirements of property are documented by the Jefferson Lab Property Officer and approved by the Department of Energy Site Office. All items not found during any inventory are listed as missing. Attempts to locate missing property are an ongoing endeavor and include the following:

- a. Issuing a facility-wide “missing item” notification.
- b. Notifying the Jefferson Lab Security Officer and Security SOTR
- c. Making a physical search for the property.
- d. Interviewing custodian and users of the property.
- e. Completing a “missing item” report.

During the inventory, custodianship is verified and reconciled.

Administrative items are inventoried only when the custodian transfers to another Division or terminates employment at Jefferson Lab.

2.4.5 Walk-Through Inspections The purpose of walk-through inspections is to identify unused or underutilized property. Work areas should contain only personal property, including spares, for which there is a continuing need at that work area. Property not being fully utilized is made candidate for transfer to another use site, storage for future use, or if appropriate, being declared excess. Jefferson Lab technical departments, aided by the Jefferson Lab property management staff, conduct a walk-through inspection of all facilities at least once every two years. Results of these inspections are reported to the Department of Energy Site Office.

2.4.6 Non-scheduled Inventories Prior to an employee being transferred to a different division or terminating employment with Jefferson Lab, all property assigned to the employee is physically inventoried by the Jefferson Lab Property Officer or designated representative. Other inventories may be conducted as deemed necessary by the JLOP and/or DOE.

2.5 Protection of Jefferson Lab Personal Property Responsible precautions are taken, consistent with sound business practices, to safeguard and protect property in Jefferson Lab's possession. Controls include, appropriately marking property, completing loan agreements for off-site use of property and keeping the JLPO advised of internal property relocation. These measures are intended to prevent loss, possible theft, or unauthorized use of Jefferson Lab property.

2.5.1 Removal by Jefferson Lab Employees Employees may be authorized to take property off site to perform official duties. It is unlawful to use, appropriate or remove any Jefferson Lab property for personal use. If property is taken off site (except intended mobile property such as laptop computers, pagers, cell phones, etc.), a loan agreement, signed by the Jefferson Lab Property Officer, is required. An abbreviated version of DOE form F4420.2 is used for documenting these in-house loans and is available on line at <http://mis.jlab.org>.

2.5.2 Relocation Within the Laboratory If property is relocated on-site for more than 5 working days the property custodian must submit a Property Movement/Transfer Form (SURA Form No. 57) to the JLPO representative. The Property Movement/Transfer Form is available on line and is located at <http://mis.jlab.org>. Type the word “Property” in the search window, and enter your username and password as prompted.

2.5.3 Loans A DOE Loan Agreement (Form Number DOE F4420.2) is required for all property being loaned to other DOE organizations, DOE-sponsored contractors or Federal agencies. All loan agreements are issued for no more than one-year. The DOE Site Office approves all loan agreements for organizations in foreign countries. The loan agreement file and database are reviewed monthly and, as necessary, loan agreements are renewed or canceled.

2.5.4 International Property Agreements A Memorandum of Understanding (MOU) is developed between Jefferson Lab and various International Collaborations that describe type of service or property to be provided. Once an MOU agreement is established and approved with authorized signatures and an Export Control Review completed, then a MOU International Property Agreement Form is created and maintained by the JLPO representative. Once created a MOU International Property Agreements are reviewed monthly and, as necessary, the agreements are renewed or canceled.

2.5.5 Property Provided to Subcontractors Jefferson Lab's contractual obligations for property extends to subcontractors through the applicable subcontract document.

2.5.6 Sensitive Property Sensitive items are subject to additional controls:

- a. Unattended sensitive items should be kept locked whenever possible.
- b. To emphasize accountability for sensitive items assigned to them, custodians are required to acknowledge receipt in writing.
- c. The JLPO's designated representative will review proper accountability of all sensitive items upon termination of any custodian.
- d. Permanent reassignment of a custodian must be reported to the JLPO on Property Movement Form (SURA Form 57), or by accessing the Property Movement/Transfer Form on line at <http://mis.jlab.org>. Type the word "Property" in the search window and enter your username and password as prompted; complete a new sensitive receipt memo to be signed by the receiver. The receipt memo can be printed from the Website.
- e. The JLPO conducts periodic reviews of the items declared "sensitive" and removes or adds items depending on the loss experience and value of the items.

2.6 Borrowing of Property Property borrowed by Jefferson Lab from other DOE facilities and contractors, Federal agencies or others is covered by a written agreement, which includes all the terms of the transaction. Borrowed property is entered into the property database and managed like other Jefferson Lab property.

2.7 Missing Property Missing property must be reported immediately to the JLPO. The employee reporting the missing item completes a Missing Item Report (SURA Form 60). A memorandum is distributed to all employees requesting assistance in locating the property. If there is any indication of possible theft, destruction as a result in misuse, or other irregularity, the DOE Site Office is notified and the Jefferson Lab Property and Security Officers conduct a thorough investigation.

2.8 Warehousing and Storage Personal property spares and equipment currently not in use are turned over to the JLPO's designated representative for storage.

2.8.1 Equipment Held for Future Utilization (EHFFU) Personal property items held in storage for future utilization must be individually justified for long-term storage. Continued storage is evaluated annually by the JLPO and the responsible custodian (See Section 5.2.4).

PART 3: DISPOSITION OF PROPERTY

3.1 Excess Property (Including Scrap and Salvage) All property that is no longer required or is no longer serviceable must be reported to the JLPO on the Disposal/Inspection of Surplus Items Form (SURA Form 48). The reporting division checks the item for possible contamination, if appropriate, and transfers the item to storage pending final disposition. The property records are updated for all property declared as excess.

3.1.1 Reutilization Property no longer required by one section/division is made available to other Jefferson Lab sections/divisions prior to being entered into the excess system. If reutilization is requested, the property is held for 30 days. In no case can excess property be removed by employees for personal use.

3.2 Disposal of Personal Property

3.2.1 Excess Federal property is reported by the JLPO to the appropriate agency for disposal instructions as follows:

a. **US Department Of Energy** Automatic data processing equipment with a value equal to, or greater than \$1,000,000.00; and other reportable property with a value equal to, or greater than \$1,000.00 is submitted on-line through the DOE Energy Asset Disposal System (EADS). **NOTE:** Hard Drives must have a certification statement declaring that they have been sanitized or destroyed before computers are released from Jefferson Lab. If DOE screening does not produce an interested party, the information is forwarded to the General Services Administration (GSA) for further screening. GSA provides transfer, sale, abandonment, or donation instructions.

b. **General Services Administration** Furniture with a value greater than \$1,000.00 is submitted to GSA - Philadelphia through the use of GSA's Federal Excess Disposal System (FEDS), a Report of Excess Personal Property is created using Standard Form 120.

c. **DOE Property Management Regulations (PMR)** Excess Federal property which is not reportable (automatic data processing equipment with a value of less than \$1,000,000.00 and other property with a value of less than \$1,000.00) is excessed as required by the DOE Property Management Regulations, 41 CFR 109.

3.3 Retirement of Federal Property Property, which is worn out, lost, stolen, destroyed, abandoned, or damaged beyond economical repair, is documented on a DOE Retirement Work Order by the JLPO's representative. A full explanation is made, supported by an investigation, if appropriate, detailing the date and circumstances surrounding the loss, theft, destruction, or damage. The Retirement Work Order is reviewed by the Jefferson Lab property management staff including a high risk review and signed by the JLPO as the initiating official. The report is reviewed by the Director of Plant Engineering and forwarded to the DOE Site Office for approval.

3.4 Disposal of Other Personal Property

3.4.1 Commonwealth of Virginia Excess property is reported by the JLPO's representative to the Commonwealth of Virginia Property Management Office at the College of William and Mary. Disposition instructions are provided by the College of William & Mary.

PART 4: ACQUISITION OF EXCESS PROPERTY

4.1 General Acquisition of excess property must be coordinated with the JLPO designated representative.

4.2 Identification of Excess Property When excess property is identified for a known need, the requisitioner must determine if it is cost effective to acquire the excess item. Things to consider include; the risk and cost if the item fails to work, the condition of the item, its capabilities, any repairs that are needed, and the suitability of the item for the specific use intended. Travel to inspect the item may be authorized if the suitability of the item cannot be determined by telephone and correspondence. The inspector must be technically capable of evaluating the condition and potential usefulness of the item.

All available documentation associated with an excess item should be obtained and reviewed prior to acquisition. Documentation to review includes a history of previous repairs, parts lists, owner's manuals, calibration records, blueprints, and schematics from prior owners and the manufacturer. The condition of the item should be established and documented through records review, inspection, tests, and repair/replacement schedules and records prior to shipping the item to Jefferson Lab.

4.3 Documentation of Transfer The Jefferson Lab requisitioner must complete a Disposal/Inspection of Surplus Items (SURA Form 48) and Transfer Order Excess Personal Property (Standard Form 122), and forward them to Plant Engineering Department for the JLPO's approval. If the excess property is classified as high risk, the DOE Site Office must approve the transfer.

PART 5: REPORTS

5.1 General Personal property management reports for Federal property are submitted by the JLPO to the Property Management and Procurement Policy Branch, Oak Ridge, Tennessee, via the DOE Site Office. While there are no recurring reports required for the Commonwealth of Virginia property, any reports that may be requested are sent by the JLPO to the Commonwealth of Virginia Property Management Office at the College of William and Mary in Williamsburg, VA.

5.2 Federal Property SURA is contractually obligated to provide DOE with the following reports:

5.2.1 Inventory Report The report includes the total dollar value and item count of all property inventoried, dollar value and end item count of all write-off property, and percentages of missing and write-off property. The report is submitted annually within 30 days after completion of annual inventories.

5.2.2 Excess Personal Property Furnished to Non-Federal Recipients The report lists all excess property furnished to non-federal entities during the fiscal year. For each item, the report provides type, amount and value of equipment, and agency receiving the equipment. The report is submitted annually by 15 November.

5.2.3 Negotiated Sales Report of Excess The report lists and describes all negotiated disposals of personal property having an estimated fair market value of more than \$5,000. The report is submitted annually by 15 November.

5.2.4 Equipment Held for Future Projects (Utilization) This report lists the personal property held in storage for future use. The report is submitted annually by 15 November.

5.2.5 Precious Metals and Recovery Program This report includes the total dollar value and item type inventoried. This report is submitted annually within 30 days after completion of annual inventories.

5.2.6 Nuclear Regulatory Commission (NRC) Report This report is submitted annually by 15 November; negative reports are required.

5.2.7 GSA Vehicle Report This report is submitted annually by 30 September.

5.2.8 Balanced ScoreCard This report is a self-assessment of the property and vehicle management performance. The report is submitted annually by 1 December.